

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

<p>W-02148A Valley View Water Company Inc. P. O. Box 12490 Scottsdale AZ 852672490</p>		<p>ARIZONA CORPORATION COMMISSION</p> <p>RECEIVED</p> <p>MAR 26 2003</p> <p>Director of Utilities</p>
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ANNUAL REPORT

ARIZONA CORPORATION
COMMISSION

RECEIVED

MAR 26 2003

Director of Utilities

FOR YEAR ENDING

12	31	2002
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*2 Total
62
63-26-03
6.77*

FOR COMMISSION USE

ANN04	02
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COMPANY INFORMATION

Company Name (Business Name) VALLEY VIEW WATER COMPANY, INC.

PO BOX 12490

Mailing Address _____

(Street)

SCOTTSDALE, AZ 85267-2490

(City)

(State)

(Zip)

4808608838

4806148303

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address _____

(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: DORIS GRUTZMACHER, PRESIDENT

(Name)

(Title)

9648 E. Clinton St., Scottsdale, AZ 85260

(Street)

(City)

(State)

(Zip)

4808608838

4806148303

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Kenneth Bowlin

(Name)

1316 N. 360th AVE. Tonapah, AZ 85354

(Street)

(City)

(State)

(Zip)

6233867912

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Doris A. Grutzmacher

(Name)

9648 E. Clinton St., Scottsdale, AZ 85260

(Street)

(City)

(State)

(Zip)

4808608838

6148303

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☒ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME VALLEY VIEW WATER COMPANY, INC.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)	
301	Organization	1,500		1,500	
302	Franchises				
303	Land and Land Rights	20,000		20,000	
304	Structures and Improvements				
307	Wells and Springs	75,000	40,250	34,750	
311	Pumping Equipment	13,100	11,790	1,310	
320	Water Treatment Equipment				
330	Distribution Reservoirs and Standpipes	32,000	14,562	17,438	
331	Transmission and Distribution Mains	142,191	39,360	102,831	
333	Services	10,500	6,017	4,483	
334	Meters and Meter Installations	6,050	5,356	694	
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant and Misc. Equipment	4,000	3,160	840	
340	Office Furniture and Equipment				
341	Transportation Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	TOTALS	304,341	122,731	191,852	

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1,500		
302	Franchises			
303	Land and Land Rights	20,000		
304	Structures and Improvements			
307	Wells and Springs	75,000	3%	2,250
311	Pumping Equipment	13,100	3%	655
320	Water Treatment Equipment		4.30%	
330	Distribution Reservoirs and Standpipes	32,000	2%	640
331	Transmission and Distribution Mains	142,191	2%	2,810
333	Services	10,500	2.5%	263
334	Meters and Meter Installations	6,050	4%	242
335	Hydrants		2%	
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	4,000	3%	120
340	Office Furniture and Equipment		5%	
341	Transportation Equipment		20%	
343	Tools, Shop and Garage Equipment		4.95%	
344	Laboratory Equipment			
345	Power Operated Equipment		6.5%	
346	Communication Equipment			
347	Miscellaneous Equipment		7.7%	
348	Other Tangible Plant			
	TOTALS	304,341		7,013

This amount goes on Comparative Statement of Income and Expense _____
Acct. No. 403.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 6,672	\$ 10,242
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 6,672	\$ 10,242
	FIXED ASSETS		
101	Utility Plant in Service	\$ 304,341	\$304,341
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	115,718	122,731
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 188,623	\$181,610
	TOTAL ASSETS	\$ 195,295	\$ 191,852

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$	\$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 10,000	\$ 10,000
211	Paid in Capital in Excess of Par Value	382,148	382,148
215	Retained Earnings (LOSS)	(196,853)	(200,296)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 195,295	\$ 191,852
	TOTAL LIABILITIES AND CAPITAL	\$ 195,295	\$ 191,852

COMPANY NAME VALLEY VIEW WATER COMPANY. Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 14,232	\$ 14,052
460	Unmetered Water Revenue	558	490
474	Other Water Revenues	1,875	2,750
	TOTAL REVENUES	\$ 16,665	\$ 17,292
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 0	\$ 0
610	Purchased Water	0	0
615	Purchased Power	1,404	1,334
618	Chemicals	0	0
620	Repairs and Maintenance	4,631	4,938
621	Office Supplies and Expense	734	862
630	Outside Services	3,269	2,590
635	Water Testing	1,416	569
641	Rents	2,400	2,250
650	Transportation Expenses		
7	Insurance - General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense Rate Case		
675	Miscellaneous Expense	1,465	
403	Depreciation Expense	7,013	7,013
408	Taxes Other Than Income	1,220	750
408.11	Property Taxes	1,097	424
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 24,649	\$ 20,735
	OPERATING INCOME/(LOSS)	\$ (-7,984)	\$ (-3,443)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 133	\$ 44
421	Non-Utility Income	(-289)	(-167)
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ (-156)	\$ (-123)
	NET INCOME/(LOSS)	\$ (-8,140)	\$ (-3,566)

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4	
Date Issued					
Source of Loan					
ACC Decision No.					
Reason for Loan					
Dollar Amount Issued	\$	\$	\$	\$	
Amount Outstanding	\$	\$	\$	\$	
Date of Maturity					
Interest Rate					
Current Year Interest	\$	\$	\$	\$	
Current Year Principle	\$	\$	\$	\$	

Meter Deposit Balance at Test Year End	\$ 500
Meter Deposits Refunded During the Test Year	\$ 300

COMPANY NAME

VALLEY VIEW WATER COMPANY, INC.

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
803547	3	40	1,223'	Upper 495' 16"	2"	1971
				Middle 8' 12"		
				Lower 720' 10 3/4"		

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
15,000	1	5,000	1

COMPANY NAME VALLEY VIEW WATER COMPANY, INC.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3	160 PVC	7,000+
4	160 PVC	680+
5		
6	160 PVC	10,500+
8		
10		
12		
1 1/2"	160PVC	1,100 +

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	22
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	18	129,510	
FEBRUARY	18	123,500	
MARCH	19	134,250	
APRIL	19	218,840	
MAY	20	276,610	
JUNE	20	364,850	
JULY	20	420,540	
AUGUST	20	442,590	
SEPTEMBER	20	398,410	
OCTOBER	20	360,620	
NOVEMBER	20	293,210	
DECEMBER	22	263,240	
TOTAL		N/A	

3426170

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes

() No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes

(X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. 0.012 mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME VALLEY VIEW WATER COMPANY, INC. YEAR ENDING 12/31/2002

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2002 was: \$ 424.18

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

INCOME TAXES

For this reporting period, provide the following:

Loss (-3,443)

Federal Taxable Income Reported _____

Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported _____

Loss (-3,443)

Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____

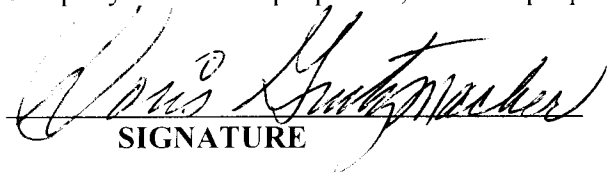
Amount of Gross-Up Tax Collected _____

Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

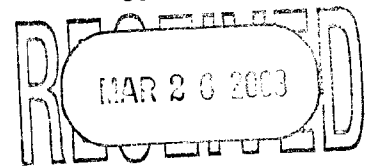
CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE3-20-03
DATEDoris Grutzmacher
PRINTED NAMEPresident
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE _____

COUNTY OF (COUNTY NAME)	DIRECTOR OF UTILITIES
MARICOPA	
NAME (OWNER OR OFFICIAL) TITLE	
DORIS GRUTZMACHER, PRESIDENT	
COMPANY NAME	
VALLEY VIEW WATER COMPANY, INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

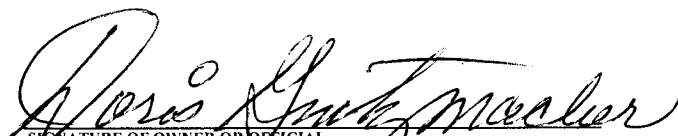
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 17,292⁰⁰

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 964⁰⁰
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
480-866-8838
TELEPHONE NUMBER

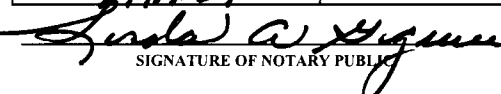
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 24th DAY OF

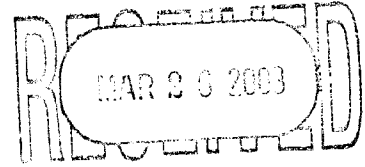
(SEAL)

MY COMMISSION EXPIRES _____

COUNTY NAME	MARICOPA	
MONTH	March	20 03
 SIGNATURE OF NOTARY PUBLIC		

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) MARICOPA	
NAME (OWNER OR OFFICIAL) DORIS GRUTZMACHER	TITLE PRESIDENT
COMPANY NAME VALLEY VIEW WATER COMPANY, INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ 17,292.00
--

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ **96.40**
IN SALES TAXES BILLED, OR COLLECTED

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

24th

DAY OF

(SEAL)

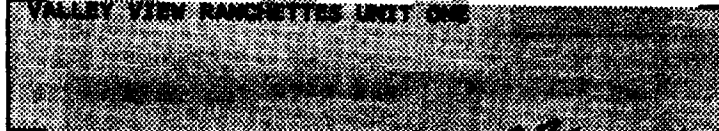
MY COMMISSION EXPIRES

NOTARY PUBLIC NAME LINDA A. GIGUIN	
COUNTY NAME MARICOPA	
MONTH MARCH 24	20 03

SIGNATURE OF NOTARY PUBLIC



PARCEL#506-40-034 4

**MARICOPA COUNTY
TREASURER**DOUG TODD, TREASURER
301 W JEFFERSON ST - RM 100
PHOENIX, AZ 85003-2199
http://treasurer.maricopa.gov
PHONE NUMBERS ON OTHER SIDESEC/LOT: TOWN/BLK: RING/TR:
VALLEY VIEW RANCHETTES UNIT ONE10-10-02 #1564 combined
Valley View Water Co
FIRST AMERICAN TITLE INS CO TR 8845
4801 E WASHINGTON ST STE 200
PHOENIX AZ 85034-2019**MARICOPA COUNTY
2002 PROPERTY TAX
STATEMENT**NOTICE: SEE REVERSE SIDE
IMPORTANT INFORMATION.\$25.00 CHARGE IF CHECK
FAILS TO CLEAR BANK.

YOUR CHECK IS YOUR RECEIPT



PARCEL#639-89-000 6

**MARICOPA COUNTY
TREASURER**DOUG TODD, TREASURER
301 W JEFFERSON ST - RM 100
PHOENIX, AZ 85003-2199
http://treasurer.maricopa.gov
PHONE NUMBERS ON OTHER SIDESEC/LOT: TOWN/BLK: RING/TR:
TOTAL VALUE OF OPERATING PROPERTYVALLEY VIEW WATER CO #1564 10/10/02
P O BOX 12490
SCOTTSDALE AZ 85267
424/18 combined**MARICOPA COUNTY
2002 PROPERTY TAX
STATEMENT**NOTICE: SEE REVERSE SIDE
IMPORTANT INFORMATION.\$25.00 CHARGE IF CHECK
FAILS TO CLEAR BANK.

YOUR CHECK IS YOUR RECEIPT

LIMITED (PRIMARY) VALUES				PRIMARY	COMPARATIVE 2001 AMT	2002 DISTRIBUTION		OFFICE USE ONLY
TYPE	LIMITED	%	ASSESSED			RATE / 100	2002 AMT DUE	
LAND/BLDG	500	25.0	125	COUNTY	238.84	12108	75.87	PRTKEY= SEQ= 3402 MTG= LOAN#= W -
PERSONAL	24500		6125	EDUC. EQUAL	99.48	04889	30.56	
EXEMPTION				CITY	88.32	4371	27.32	
				SCHOOL	191.88	9834	80.21	
				CO. EDUC				
COMM. COL.								
PRIM. TOT.	25000		6250					
AREA CODE 900000				SUBTOTAL	564.10	21002	182.78	FIRST HALF TAX AMOUNT
FULL CASH (SECONDARY) VALUES								

INNESS BANKING EXPERTS TODAY. CALL BUSINESS LOAN BY PHONE AT
1-800-404-4111 WHEN YOU NEED MONEY FOR YOUR BUSINESS.**BANK ONE BUSINESS MONEY MARKET SAVINGS**

Account number 000000043170691

Items	Amount
Interest paid this period	\$5.65
Interest paid this year	\$35.37
Beginning balance	\$10,470.18
Checks paid	- 860.07
Other withdrawals	0.00
Other credits / deposits / additions	+1,857.62
Balance as of Oct 31	\$11,467.73

Checks paid	Amount	Date paid
Number		
1545	298.39	10-16
1546	137.50	10-22

Number	Amount	Date paid
1567*	424.18	10-30
Total	860.07	

* Checks not listed were shown on a previous statement or had not yet cleared as